Students are awarded Title IV aid with the assumption that they will complete the entire period (semester) for which the assistance was provided. The Higher Education Act of 1965, as amended, requires students to earn Title IV funds on a pro rata (in proportion) basis. When students cease enrollment in all cases after the period begins, the U.S. Department of Education requires schools to determine if such students earned all the aid they received or if additional aid must be paid based on attendance.

**Title IV Funding Programs**
The Federal assistance programs for which Title IV funds are returned include: Pell Grant, Supplemental Educational Opportunity Grant, TEACH Grant, Iraq and Afghanistan Service Grant, Federal Perkins loan, Direct Graduate Plus loan, Direct Parent Plus loan, Subsidized Direct Stafford loan, and Unsubsidized Direct Stafford loan.

**Return of Title IV Formula**
Chicago State University’s responsibility is to determine the amount of Title IV aid assistance that the student earned as of the date enrollment ceased (withdrawal date). The Federal Return of Title IV funds formula dictates the amount of Title IV aid that must be returned to the Federal government by the school within 45 days of the student’s notification date or the date that CSU determines the student’s enrollment ceased.

**Withdrawal Date Determination**
CSU is a non-attendance taking institution and as such withdrawal dates are determined in two ways:

1. Through a student-initiated withdrawal (official)
2. Through a CSU administrative withdrawal (unofficial)

The student-initiated withdrawal occurs when the student notifies CSU of his/her intent to withdraw. Administrative withdrawal occurs when CSU determines that the student is no longer enrolled based on a variety of reasons such as (but not limited to): a student’s lack of academic activity, failure to establish academic activity at the beginning of a new term, student dismissal due to disciplinary reason or failure to pay tuition.

**60% Rule**
The initial amount of Title IV aid assistance earned is based on the number of calendar days that the student was enrolled within the semester. During the first 60% of the enrollment period, a student earns Title IV funds in direct proportion to the length of time he/she is enrolled. The initial percentage of aid earned is determined by the total number of calendar days completed in the enrollment period (from the start of the semester through the date student initiated withdrawal), divided by the calendar days in the semester. Scheduled breaks of five or more consecutive days are excluded.

\[
\frac{\text{Days completed in the period}}{\text{Days scheduled to complete in the period}} = \text{Percentage Completed}
\]
Returning of Title IV Funds Order

If the amount disbursed to the student is greater than the amount the student earned, unearned funds must have been returned by the student and/or CSU, to the Federal programs, in the following order:

1. Unsubsidized Direct Stafford Loan
2. Subsidized Direct Stafford Loan
3. Federal Perkins loan
4. Direct Graduate PLUS loan
5. Direct Parent PLUS loan
6. Federal Pell Grant
7. Federal SEOG Grant
8. TEACH Grant
9. Iraq/Afghanistan Service Grant

If the amount disbursed to the student is less than the amount the student earned, the student is eligible to receive a post-withdrawal disbursement of the earned aid that was not received.

Click on the links below for more information on related financial aid policies:

- [Student Process on How to Withdraw](#)
- [Leave of Absence Policy](#)
- [Post Withdrawal Disbursement Policy](#)
- [Consumer Information (CSU Student’s Rights and Responsibilities)](#)